

# **Department of Community and Economic Development**

## **Economic Development Committee Meeting**

**April 4, 2005**

**4:00 p.m.**

**4<sup>th</sup> Floor Conference Room 4A**

**City Hall**

**777 B Street**

**Hayward, CA 94541-5007**

## **A G E N D A**

**Public Comments:** (Note: For matters not otherwise listed on the agenda. The Committee welcomes your comments under this section but is prohibited by State Law from discussing items not listed on the agenda. Your item will be taken under consideration and referred to staff.)

- 1. Call to Order**
- 2. Approval of Minutes (March 7, 2005)**
- 3. Economic Development Activities Update for March**
- 4. Residential Real Estate Update:**
  - 1. Nancy Rogers, BayEast Association of Realtors**
  - 2. Bob Glover , Home Builders Association of Northern California**
- 5. Committee Member Announcements**
- 6. Adjournment**



Assistance will be provided to those requiring accommodations for disabilities in compliance with the Americans with Disabilities Act of 1990. Please request the accommodation at least 48 hours in advance of the meeting by contacting Katy Ramirez at 510/583-4250 or by calling the TDD line for those with speech and hearing disabilities at 510/247-3340.

**ECONOMIC DEVELOPMENT COMMITTEE  
REGULAR MEETING MINUTES  
MARCH 7 2005**

**CALL TO ORDER:** Chair Mullins called the meeting to order at 4:10 p.m.

**ATTENDANCE:**

Committee Member	Present 3/07/05	All Meetings Year to Date		Meetings Mandated By Resolution	
		Present	Absent	Present	Absent
Timothy Barrow	✓	7	1	7	1
Mayor Cooper	no	7	1	7	1
Council Member Ward	✓	6	2	6	2
Council Member Dowling	✓	8		8	
Ed Mullins (Chair)	✓	8		8	
Joel Peña (Vice Chair)	no	6	2	6	2
Lisa Ringer	✓	6	2	6	2
Kenneth Gibson	✓	7	1	7	1

**OTHERS ATTENDING:** Jesús Armas, City Manager  
Sylvia Ehrenthal, Director of Community & Economic Development  
Gail Patton, Neighborhood & Economic Development Manager  
Sally Porfido, Economic Development Specialist  
Bruce Kern, Executive Director, Economic Development Alliance  
for Business

**PUBLIC COMMENT:** None

**APPROVAL OF MINUTES:** The minutes of February 7, 2005 were approved.

**ECONOMIC DEVELOPMENT ACTIVITIES UPDATE FOR February:**

1. Staff met with Mark Mithaiwala, Business Services Rep, with Alameda County Workforce Investment Board (WIB) to review their training grant from the Department of Labor. This grant provides training for entry-level biotech manufacturing workers. With an estimated 85,000 biotech related manufacturing jobs already in the Bay Area and the industry continuing to grow, there are expected to be over 1,500 new jobs available for entry-level and skilled biotech workers in the next 18 months.

Mark explained that WIB is working with local colleges to provide the grant funded training and suggested he set up appointments for us to meet with Chabot College and Cal State to review their Biotech training programs and to work with them on this program.

He is currently working with Kobe Precision, Hayward (manufactures silicon wafers) with approximately 150 employees. The employees are receiving upgrade training in-house with the funding provided by W.I.B.

Mr. Mithaiwala is part of the Biotechnology Education and Training Alliance (BETA) group that staff recently joined. Hayward currently has 21 biotech companies.

2. The Mayor and Staff attended La Mexicana Tortilla Factory, 236 A Street, Fiesta recognizing a New Market Tax Credit loan this family owned business received through the Bay Area Development Company. This has allowed them to purchase a second facility for business expansion located at 22240 Meekland Avenue, Hayward. This warehouse will store their dry goods and other items and free up space in the main factory building, which also houses a small market and takeout counter. With the expansion, La Mexicana will create five new warehousing and factory jobs. They currently employ about 35.
3. Staff spoke to 15 potential small business loan applicants. A majority of these were interested in start-up business financing. Staff referred these applicants to appropriate contacts at the SBA regarding the MicroLoan Program and the SOHO Loan Program and gave appointment information for the Hayward Chamber of Commerce SBA Score counselor. In addition, SBA Start-Up Information booklets were sent to all who were interested in receiving one.

## **OVERVIEW OF THE EAST BAY ECONOMY:**

Mr. Kern presented a summary of UCLA Anderson Forecast, January 2005, East Bay Economic Outlook.

- A modest 11,000 East Bay Jobs were added with a majority coming from construction and the real estate sectors. Projections are that the East Bay will add 16,000 jobs over the year.
- These gains were offset by job losses in Information (900) and government (1,300).
- EDD has concluded that Northern California showed virtually no significant change during 2004 with most of California's growth occurring in So. California with dramatic growth in Orange, Riverside and San Bernardino counties.
- However, UCLA still projects the Bay Area to move into an expansion mode in 2005.
- Taxable sales are on the rise (projected at 5% for Alameda County) and office, industrial and retail vacancies are on the decline.
- UCLA makes several important observations:
  1. Resurgent IT industry over the past year with exports, spending and production in the industry on the rise was not felt in the Bay Area or the East Bay because of the continued excess capacity that continues to dampen job growth. The Bay Area has 12% of its employment in IT. They conclude that some slimming down is needed and look for a continuing wave of mergers.
  2. UCLA is estimating for 2005 an overall US economy growth rate of 2%.
  3. They also believe that California's budget problems would not be solved solely by the recovery of the State's economy. Some form of increase in taxes will be needed.

Mr. Kern reviewed the recent findings of the Bay Area Economic report on manufacturing and an update on Goods Movement policy framework and initiatives. More information is available by going to the Economic Development Alliance for Business web site at [www.edab.org](http://www.edab.org).

Mr. Kern concluded his presentation with an overview of the continuing marketing efforts provided by EDAB for the City Of Hayward. He asked for any Committee suggestions for EDAB to enhance its support for the City.

Mr. Kern invited Committee members to attend an Economic Outlook scheduled for May 13 at the San Leandro Community Center from 8:30 to 10 am.

**COMMITTEE MEMBER ANNOUNCEMENTS:**

None.

**ADJOURNMENT:** Meeting was adjourned at 5:10 p.m.